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DATA SUPPLEMENT
of the INDIANA BUSINESS REVIEW

A REVIEW OF SELECTED BUSINESS INDICATORS

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DURATION OF AND REASONS FOR UNEMPLOYMENT

Despite a higher unemployment rate in the state than in the nation for the year 1979 (estimated at 6.3% for Indiana and 5.8% for the U.S.), the composite picture of unemployment in the state did not vary greatly from that of the nation. In addition to the standard unemployment measure, two other figures recently released by the U.S. Bureau of Labor Statistics indicate that Indiana's performance in 1979 was less at variance with the national performance than the simple unemployment rate might indicate.

The percentage of persons in the labor force who are unemployed but actively seeking work is the **standard unemployment rate**. Over the past few years analysts have come to accept five and six percent unemployment rates as "normal"; a decade ago three or four percent was considered normal. Some unemployment is expected in the economy as some workers seek improved positions and others enter or reenter the labor market. This transitory or frictional unemployment is seen as a temporary situation associated with individual attempts to improve personal conditions. In an open society some workers are moving to new areas or new jobs at all times. The length of time these workers take to find new work depends on the resources they have to use in their search as well as the availability of jobs and information about jobs. Thus, the reasons for unemployment and the duration of unemployment are both meaningful statistics about the labor market.

In 1979, the duration of unemployment for 79.1% of Indiana's unemployed was fifteen or fewer weeks. See Table 1.

TABLE 1

Duration of Unemployment:
1979 Annual Averages
(percentage of unemployed persons)

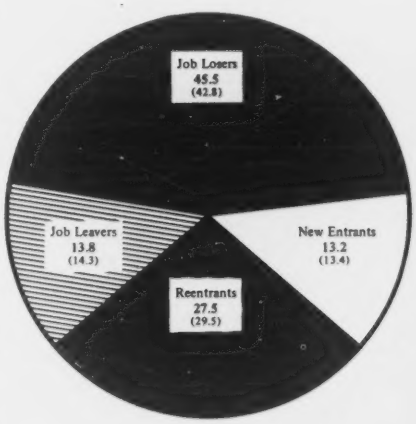
	Indiana	*United States*
Fewer than 5 weeks	49.1%	48.1%
5 to 14 weeks	30.0	31.7
15 to 26 weeks	11.2	11.5
27 to 51 weeks	5.8	4.5
52 weeks or more	3.9	4.2

In other words, about one in five unemployed persons in 1979 was without a job for fifteen or more weeks. The exact figure was 20.9% for Indiana and 20.2% for the nation as a whole. Hoosiers who suffered only short-term unemployment (fewer than five weeks) comprised 49.1% of the total Indiana unemployed and 48.1% of the U.S. unemployed. These figures indicate that, even though Indiana had a higher unemployment rate than the nation, the length of time without a job was about the same in the Hoosier state as it was in the nation.

Of those looking for work in 1979, in Indiana 45.5% had lost their jobs; nationally the figure was 42.8%. With layoffs in the automotive industry, it is not surprising that job leavers accounted for only 13.8% of the unemployed in Indiana. Giving up a job when unemployment is rising is not as common as it is when the unemployment rate is lower. Two of every five unemployed persons in Indiana in 1979 were just coming into the job market. Two-thirds of those persons were reentrants—they had previously held jobs, had withdrawn from the labor market, and had decided to seek employment once again in 1979. The other third of those unemployed persons coming into the market were new entrants—people who had not been previously employed.

The similarities in the 1979 Indiana data and national data for duration and reasons for unemployment give more encouraging signals about the state's economy than the unemployment rate alone would indicate.

Reasons for Unemployment 1979
Percentage of Unemployed*



*Indiana data in bold print, U.S. data in parentheses

— MJM

1980 CENSUS USERS CONFERENCES ANNOUNCED

The Indiana State Data Center, along with various local agencies, is sponsoring a series of conferences for 1980 Census users. These conferences will give an overview of the 1980 Census and will also include sessions about Census geography, Census questionnaire content and Census products and user services.

Interested readers should check the following schedule to see when conferences will be held in their area.

For additional information call Sharon Lyons at the State Data Center (317-232-3735) or call the local coordinator for each city.

May 8 – 9:00-11:30 a.m.

INDIANAPOLIS: Sharon Lyons, *State Data Center*

Roof Lounge, Union Building
1300 West Michigan Street
Indiana University-Purdue University at Indianapolis

May 8 – 1:30- 5:00 p.m.

MUNCIE: Dr. Harold Fox, *Bureau of Business Research, Ball State University*

L.A. Pittenger Student Center
Rooms 301-302
Ball State University

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This issue was prepared by Morton J. Marcus, research economist; Scott Bowman, William Keenan, Sue Mueller and Louis West, research assistants; Roberta Berry, editor; Mary Lynn Jedlicka, proof and layout; Karen Scott, typesetter; and Robert Wagner, art and pasteup.

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(continued from page 1)

May 13 – 1:00- 4:00 p.m.

JEFFERSONVILLE: Richard Boyce, *Riverhills Regional Planning Commission*

Hillside Hall, Room 104
Indiana University at New Albany

May 14 – 9:00 a.m. - noon

EVANSVILLE: Joe Ballard, *Evansville & Vanderburgh County Area Planning Commission*

Vanderburgh County Convention Center
Civic Center Complex

May 15 – 10:00 a.m. - noon

LAFAYETTE: Martin Pond, *School of Agriculture, Purdue University*

Krannert Auditorium

May 29 – 8:30 a.m. - noon

GARY: Dr. Lawrence Streicher, *Economic Development, Office of the Mayor*

Theatre
Indiana University Northwest

June 19 – 1:00 - 4:00 p.m.

FORT WAYNE: Ivan Martin, *Chamber of Commerce*

Chamber of Commerce Building
826 Ewing Street

INDIANA STATE DATA CENTER ESTABLISHED

Governor Otis R. Bowen, M.D., recently announced the formal signing of a joint statistical agreement between the U.S. Bureau of the Census, the State of Indiana, and Indiana University that provides for the establishment of the Indiana State Data Center.

"We are proud that the State Data Center concept is developing into a national program," the Governor said. "Indiana pioneered this concept with the Census Bureau in the mid-1970s. Our State Data Center will help Hoosier citizens in all counties make better use of the information collected by governments. This is the year of the biggest data gathering effort the country makes—the Census of Population and Housing. We want to help people, communities, and businesses use the information that their tax dollars pay to collect."

The Indiana State Data Center involves no new organization; it is a cooperative venture of the Indiana State Library, the State Planning Services Agency, and the I.U. School of Business. Each unit will have specific responsibilities to bring the 1980 Census and other information to interested parties in the state.

The Indiana State Data Center will have affiliate offices throughout the state where collections of Census reports will be available to the public. These will complement collections in public and university libraries and give the public easy access to information. Specialized analysis and products from computer tapes will be available from the Division of Research in the I.U. School of Business.

MAN-HOURS IN INDUSTRIAL PRODUCTION

	United States (Seasonally Adjusted Data)				Indiana (Seasonally Adjusted Data)			
	Latest Month (millions)		*Percent Change From* One Month Ago	One Year Ago	*Latest Month* (thousands)		*Percent Change From* One Month	One Year Ago
Manufacturing	**Feb.**	**838.5**	**–0.5**	**–1.8**	**Feb.**	**28,549.7**	**–1.6**	**–8.2**
Food	Feb.	68.6	–2.5	–2.0	Feb.	1,576.3	3.4	–0.9
Apparel and Textiles	Feb.	83.5	–0.8	0.6	Feb.	454.3	–4.9	1.5
Lumber and Wood	Feb.	28.1	–4.0	–7.1	Feb.	852.4	–5.6	–4.8
Furniture	Feb.	18.7	–2.3	–2.5	Feb.	867.4	–4.7	–6.0
Paper	Feb.	30.6	–0.8	0.7	Feb.	605.7	–4.4	–2.7
Printing	Feb.	47.6	–1.1	3.2	Feb.	1,229.1	–1.6	2.5
Chemicals	Feb.	46.7	–0.5	0.6	Feb.	1,251.3	–0.7	3.2
Petroleum and Products	Feb.	7.2	–10.1	–22.2	Feb.	106.3	–37.6	–46.1
Rubber and Plastics	Feb.	29.3	–2.9	–8.3	Feb.	1,361.7	–1.4	–9.9
Stone, Clay and Glass	Feb.	29.0	–0.7	–2.3	Feb.	1,094.9	2.8	–0.8
Primary Metals	Feb.	49.2	0.0	–7.3	Feb.	4,356.0	0.4	–10.1
Fabricated Metals	Feb.	70.3	–0.9	–1.9	Feb.	2,538.1	–1.9	–6.2
Nonelectrical Machinery	Feb.	103.4	–1.1	–0.1	Feb.	3,224.1	–3.2	–6.7
Electrical Machinery	Feb.	86.6	–1.4	2.4	Feb.	4,403.1	–3.6	–5.7
Transport Equipment	Feb.	84.4	4.1	–6.9	Feb.	3,492.5	–3.9	–25.3

UNITED STATES BUSINESS INDICATORS

Quarterly Data

	Seasonally Adjusted at Annual Rates ($ billions)				*Percentage Change at Annual Rates*			
	Latest Quarter		*Previous Quarter*	*One Year Ago*	*Latest Quarter*		*Previous Quarter*	*One Year Ago*
Gross national product (GNP)	1979:4	2,456.9	2,396.5	2,235.2	1979:4	10.5	12.0	14.8
GNP ($1972)	1979:4	1,440.3	1,433.3	1,426.6	1979:4	2.0	3.1	5.6
GNP potential level ($1972)	1979:2	1,460.1	1,449.4	1,417.7	1979:2	3.0	3.0	3.0
Government purchases	1979:4	501.2	477.8	453.8	1979:4	21.1	10.0	12.2
Personal consumption expenditures	1979:4	1,580.4	1,528.6	1,415.4	1979:4	14.3	15.1	14.2
Private domestic investment	1979:4	387.2	392.3	370.5	1979:4	– 5.1	– 3.1	17.1
Corporate profits before tax	1979:4	246.2	242.3	227.4	1979:4	6.6	27.8	32.4
Change in business inventories	1979:4	5.6	14.5	20.6	1979:4	–	–	–
Federal surplus–deficit (NIA)	1979:4	– 14.7	– 11.3	– 16.3	1979:4	–	–	–

UNITED STATES BUSINESS INDICATORS (continued)

Monthly Data

	Current Levels or Annual Rates			Percentage Change at Annual Rates		
	Latest Month		Previous Month	One Year Ago	Latest Month	Previous Month	One Year Ago
All urban consumer price index[1]	Feb.	237.0	233.8	207.7	Feb. 17.7	18.0	14.3
All urban CPI–food[1]	Feb.	244.7	244.8	228.4	Feb. −0.5	0.0	17.8
Old money supply[2]	Feb.	376.3	372.6	350.0	Feb. 12.6	3.6	−0.3
Enlarged money supply[2]	Feb.	392.6	389.1	360.7	Feb. 11.3	4.4	2.4
Enlarged money supply and savings[2]	Feb.	1,546.6	1,532.8	1,412.8	Feb. 11.4	7.0	5.5
Enlarged money supply, savings and large time deposits[2]	Feb.	1,804.0	1,785.3	1,640.2	Feb. 13.3	8.2	7.8
Mobile home shipments[3]	Jan.	276.0	241.0	295.0	Jan. 409.0	−38.6	−27.5
Mortgages–outstanding[4]	Jan.	476.4	475.8	435.4	Jan. 1.5	2.9	7.4
Mortgages–new issues[4]	Jan.	46.7	64.5	80.1	– –	–	–
Mortgage rate–new issues[5]	Feb.	11.9	11.9	10.2	– –	–	–
Prime rate business loans[5]	Feb.	15.6	15.3	11.8	– –	–	–

[1] Base period: 1967 = 100

[2] **Old money supply** is the sum of currency and bank checking deposits. This measure may eventually be discontinued. **Enlarged money supply** includes currency, bank checking deposits and interest-paying checking accounts. **Enlarged money supply and savings** includes the enlarged money supply, savings accounts, money market mutual fund shares and overnight repurchase agreements. **Enlarged money supply, savings and large time deposits** include the enlarged money supply, savings, large denomination time deposits and term repurchase agreements.

[3] Thousands of units

[4] $ billions, all savings and loan associations

[5] Percent

UNITED STATES–INDIANA BUSINESS INDICATORS*

(Seasonally adjusted indexes unless otherwise noted; base period: 1967 = 100)

	United States				Indiana			
EMPLOYMENT	Latest Month		Previous Month	One Year Ago	Latest Month		Previous Month	One Year Ago
Nonagricultural employment	Feb.	137.9	137.7	134.8	Feb.	126.7	127.2	126.2
Manufacturing employment	Feb.	107.5	107.4	108.1	Feb.	99.8	100.0	105.7
Average weekly hours (No.)†	Feb.	39.7	39.8	40.2	Feb.	39.8	39.9	40.9
Average weekly earnings ($)†	Feb.	277.11	276.61	262.10	Feb.	324.37	323.99	310.84
Nonmanufacturing employment	Feb.	150.6	150.3	146.2	Feb.	144.9	145.3	141.9
Unemployment rate (%)	Feb.	6.0	6.2	5.7	Feb.	9.4	8.3	5.7
Unemployment–married males (%)	Feb.	3.1	3.4	2.6	–	–	–	–
Continued unemployment claims	–	–	–	–	Feb.	285.7	325.7	158.8
PRODUCTION								
Bituminous coal production	Jan.	163.3	150.9	128.2	–	–	–	–
Industrial electricity production	Oct.	154.7	155.1	154.8	–	–	–	–
Industrial electricity sales	–	–	–	–	Feb.	165.1	167.9	180.2
Manufacturing production	Feb.	153.4	153.1	153.3	Feb.	151.8	153.5	158.6
Raw steel production	Feb.	108.1	105.4	105.5	Feb.	134.7	128.0	118.6
CONSTRUCTION								
Construction activity–total	Jan.	317.7	312.7	274.1	Feb.	242.6	265.7	521.8
Residential housing starts	Feb.	103.8	110.8	114.3	Feb.	63.3	104.5	131.9
Residential expenditures	Jan.	391.2	395.1	369.3	Feb.	220.6	312.9	480.2
Nonresidential expenditures	Jan.	281.9	272.5	227.6	Feb.	219.0	228.2	185.0
Public expenditures	Jan.	222.2	203.1	181.0	–	–	–	–
Public works and utilities	–	–	–	–	Feb.	255.0	274.5	1,023.9
OTHER INDICATORS								
Personal income per capita ($)	Dec.	9,148.1	9,052.1	8,315.0	1979:3	8,595.0	8,428.0	7,774.0
Passenger car sales (thousands)†	Feb.	813.0	806.0	841.0	Jan.	17.4	15.5	17.8
Year to date (thousands)	Feb.	1,619.0	806.0	1,625.0	Jan.	17.4	251.3	17.8

*Current indicators are preliminary and subject to revision

†Not seasonally adjusted

SOURCES: Data on Indiana construction from McGraw-Hill Information Systems Company; Indiana passenger car registration from R. L. Polk & Co.; indexes of raw steel production for the United States and Indiana courtesy of American Iron and Steel Institute, Washington, D.C.; all other data from U.S. and Indiana government agencies and Division of Research, School of Business, Indiana University.

INDIANA LOCAL INDICATORS
(Seasonally adjusted indexes; base period: 1967 = 100)

	Continued Unemployment Claims			*Industrial Electricity Sales*		
Reporting Cities	*Feb. 1980*	*Jan. 1980*	*Feb. 1979*	*Feb. 1980*	*Jan. 1980*	*Feb. 1979*
Anderson	515.4	617.2	159.2	111.7	92.2	109.8
Bedford	122.4	141.8	95.2	238.0	202.5	234.8
Bloomington	176.0	151.2	175.1	80.2	80.3	86.7
Columbus	209.5	173.4	87.4	163.9	155.2	169.9
Connersville	354.9	246.2	125.3	76.2	122.5	146.4
Crawfordsville	876.7	868.5	603.8	197.0	199.4	204.5
East Chicago	312.2	296.5	151.1	92.9	93.0	91.4
Elkhart	449.6	454.7	180.1	173.7	167.6	175.3
Evansville	128.8	127.3	94.7	148.0	151.1	135.6
Fort Wayne	271.4	261.7	119.4	106.9	94.2	124.5
Frankfort	723.1	587.7	385.3	172.5	160.8	199.9
Gary	173.8	206.0	71.6	155.6	152.1	179.7
Goshen	–	–	0.0	197.7	189.8	226.3
Hammond*	–	–	0.0	203.4	213.1	192.4
Huntington	428.2	392.3	217.7	144.3	121.4	143.8
Indianapolis	68.6	62.6	57.5	152.0	147.6	158.0
Jeffersonville	–	–	0.0	176.7	160.4	170.0
Kokomo	411.5	555.3	140.6	200.6	200.8	217.5
Lafayette	417.2	440.5	305.8	267.4	252.8	243.6
LaPorte	276.6	299.6	212.8	209.0	185.5	216.9
Logansport	218.9	247.8	115.1	261.5	199.4	253.7
Madison	385.2	420.8	252.1	141.5	142.0	148.4
Marion	333.8	293.2	196.3	132.2	114.1	128.4
Michigan City	250.3	283.8	179.0	789.2	835.8	223.8
Muncie	194.0	198.0	105.2	113.6	95.5	114.8
New Albany	419.7	477.5	389.4	119.5	114.8	124.0
New Castle	383.7	428.5	257.6	143.1	144.7	200.2
Peru	192.0	262.3	79.0	215.5	181.5	244.6
Richmond	331.7	243.2	198.7	143.4	138.8	142.8
Seymour	641.4	458.8	177.4	149.3	151.8	164.9
South Bend	287.1	286.0	141.0	138.3	122.8	139.7
Terre Haute	292.9	250.0	192.3	203.9	199.8	201.8
Valparaiso	–	–	0.0	203.7	193.8	200.2
Vincennes	133.1	143.5	118.4	160.5	118.9	144.9
Wabash	213.0	393.2	120.6	174.0	142.5	193.0

*Continued unemployment claims of East Chicago and Hammond are combined.

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